

were derived from an internal analysis performed by the tribe and its consultants.<sup>178</sup> Sikorski further argued that this impact would be “a knife to the heart of Band employment and economic development.” Sikorski also spoke directly with Skibine by telephone at this time regarding the Mille Lacs’s concerns about economic impact.

According to McCarthy, he first contacted Peat Marwick about preparing a report in late March. On April 28, Peat Marwick forwarded to IGMS the report that it had written on behalf of MIGA, the Mille Lacs, the St. Croix Chippewa and the Shakopee Mdewakanton Sioux concerning the potential impact of a Hudson casino.<sup>179</sup> The report projected, among other things, a “potential loss in market share to the existing casinos . . . in excess of \$114 million based on the market share estimates used by the BIA in their analysis.”

Peat Marwick relied, as a baseline measure, on the same figures used by the BIA in making its finding of no significant impact – that the Hudson facility could result in a 20 to 24 percent loss of market share to tribes relying on the Twin Cities market.<sup>180</sup> Peat Marwick then went on to assume that, because Hudson is an “excellent place to build a casino,” and in light of other factors, “we believe the Hudson share could be much higher” than that projected by BIA.

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<sup>178</sup>Because this study had been done several years earlier, when the tribe was trying to assess the impact on its operations of expansions to the Shakopee’s Mystic Lake casino, the letter to Skibine argued that the impact in this case may actually be higher, because a casino in Hudson would represent “an entirely new entry” into the market.

<sup>179</sup>Copies of the report were also sent to Sen. Wellstone, Stanley Crooks, Marge Anderson, Taylor, McCarthy and Kitto. On May 16, Patrick O’Connor forwarded the report to Ickes.

<sup>180</sup>The Peat Marwick analysis projected an impact substantially greater than some other studies. For instance, the Mille Lacs sent an impact analysis of its own to Skibine arguing that a casino in Hudson would lead to a decrease in revenue of about 11 percent.